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August 6, 2003

#### Via Electronic Submission

Marlene H. Dortch, Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W., Room TWA-325 Washington, D.C. 20554

Re: Ex Parte Communication

Sprint NXX Rating and Routing Declaratory Ruling Petition

CC Docket No. 01-92

Dear Ms. Dortch:

This letter is to inform you that on July 30, 2003, Sprint, through its representative, Charles McKee, met with Stacy Jordan and Jared Carlson of the Wireless Telecommunications Bureau and Steve Morris and Victoria Schlesinger of the Wireline Competition Bureau. In a separate meeting, Charles McKee and Luisa Lancetti of Sprint met with Bryan Tramont, Senior Legal Advisor to Chairman Powell.

Sprint discussed issues surrounding the above referenced Petition for Declaratory Ruling on the rating and routing of ILEC traffic. A copy of the discussion points used in the meetings is attached hereto.

Pursuant to Section 1.1206 of the Commission's rules, this letter is being electronically filed with your office. Please associate this letter with the file in the above referenced matter.

Respectfully submitted,

Luisa L. Lancetti

cc:

Stacy Jordan Jared Carlson Steve Morris

Victoria Schlesinger

**Bryan Tramont** 

# SPRINT PETITION FOR DECLARATORY RULING WIRELESS RATING AND ROUTING

**CC-01-92** 

EX PARTE PRESENTATION July 30, 2003

# Requiring Direct Connections Hurts Rural Consumers

- BellSouth attempts to force all new entrants to mirror the architecture of the incumbent's network.
  - BellSouth refuses to acknowledge the right of a wireless carrier to route traffic in the most technically and economically efficient manner.
  - BellSouth would require direct connections to every ILEC,
     CLEC and CMRS provider.
  - The result of such a rule would limit services and choices for rural communities

## Wireless Service Has Been Directly Impacted and Rural Customers Have Been Denied Services

- The code which was the basis for this petition is still not recognized as a local number.
- Sprint is still unable to sell local service in these rural territories because of ILEC refusal to honor its rating designation.
- Wireless service and competition generally are being limited in rural areas.

### The Cost of Direct Connection is Prohibitive

- Sprint estimates that the cost to Sprint of direct connection would exceed \$70,000,000 annually (and this number may be substantially understated).
- As an industry, direct connection would cost hundreds of millions of dollars annually.
- Most importantly, these additional expenditures would provide no additional services or benefits to customers and would divert resources from construction of additional facilities in rural areas.

# Sprint is Not Shifting Costs to BellSouth

- Sprint pays BellSouth to provide a transiting function to ILECs.
- Sprint has agreed to pay ILECs for terminating traffic.
- Under existing law, the originating carrier bears all cost of transporting its traffic.
- Sprint agrees with BellSouth's May 15, 2003 letter that:
  - "it appears that the independents would rather not exchange local traffic with any carrier because to do so would reduce the amount of money the Independents collect for terminating traffic and would cause the Independents to be responsible for payment to another carrier for originated traffic."
- The refusal of ILECs to recognize their compensation obligations is not grounds for overturning existing rules.

#### ILECs Must Provide Transit Services

- Section 251(c)(2) requires ILECs to interconnect with requesting carriers for the "transmission and routing of telephone exchange service and exchange access."
- Nothing in the statute limits this obligation to the exchange of traffic with the ILEC's own end user customers.
- Section 251(a)(1) becomes meaningless if RBOCs can ignore their transiting obligations.
- Without separate rating and routing points, no market for transiting services could be established.

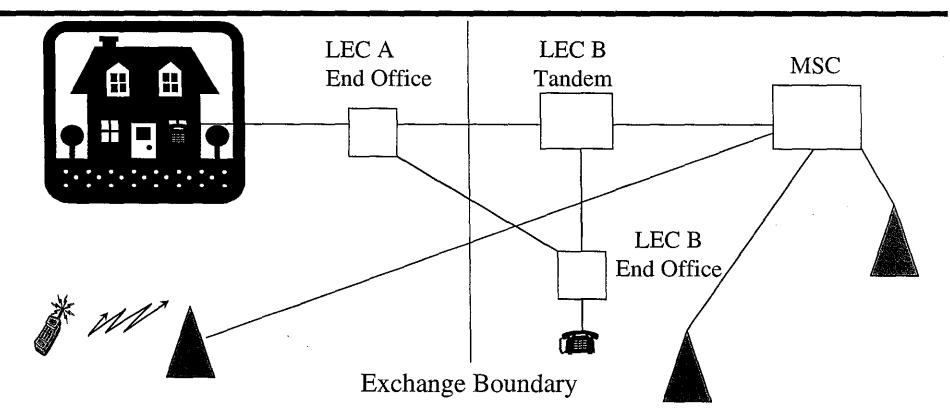
# Compensation is Not an Issue Where Carriers Comply with the Rules

- BellSouth's alleged compensation issues revolve primarily around the refusal of ILECs to acknowledge the calling party network pays regime currently in place.
- The FCC has already held that implementation of the rules may require small entities to measure traffic, but that "the costs of such measurement to these carriers is likely to be substantially outweighed by the benefits of these arrangements." First Report and Order, Paragraph 1045.
- The limitations of BellSouth's billing systems have been largely corrected as is demonstrated by their implementation of meet point billing for wireless carriers.

### Relief Requested

- The Commission should confirm that:
  - Existing rules permit indirect interconnection
  - Incumbent carriers cannot require direct interconnection for the exchange of local traffic.
  - Wireless carriers can designate separate rating and routing points for the exchange of traffic under existing numbering guidelines.
  - Dialing parity rules require that wireless NXXs be treated in the same manner as wireline NXXs.

#### GENERIC RATING AND ROUTING



- 1. CMRS provider obtains from NANPA a NPA/NXX rated from end office A rate center to serve local customers calling from home to wireless phone.
- 2. CMRS provider builds towers to provide wireless service in community where customer lives and markets service in LEC End Office A service area.
- 3. CMRS customer orders service from CMRS provider and is given a PCS number rate centered the same as LEC A End Office.
- 4. LEC A landline customers can call their PCS phones on a local basis.